



## **News Release**

### **National Labor Relations Board**

#### **Office of the General Counsel**

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### **Security firm to pay \$276,000 to make whole former trainees in Texas**

A Virginia-based security firm has agreed to pay \$213,431 in back pay and another \$62,568 in interest to 111 security guard trainees who were paid less than one-third the hourly wage called for in their union contract.

The case dates back to 2004, when Coastal International Security, Inc. paid trainees in Texas \$5.15 per hour rather than the wage rate of \$18.50 and higher set out in a contract with the International Union of United Government Security Officers of America, Local 203.

After an initial effort by the parties to resolve the case through their grievance procedure, the NLRB Regional Office in Fort Worth conducted an investigation and issued a complaint in 2007 alleging that Coastal unilaterally changed terms and conditions of employment for bargaining unit members without negotiating with the union. Those findings were later upheld by an NLRB Administrative Law Judge, the National Labor Relations Board in Washington, and the Fifth Circuit Court of Appeals.

After attempts to broker a settlement failed, Regional Director Martha Kinard issued a Compliance Specification and Notice of Hearing seeking the money. (See [April 2010 press release](#).) A hearing before an Administrative Law Judge was postponed several times before being negated by the current settlement, which was approved by the Regional Director on October 18.

Payments to the former trainees range from \$163 to \$3,758 and are to be received by mid-November. The back pay period covers training classes up to 2006, when the security firm lost the contract to provide services to the Texas facility. The settlement was made possible by the work of Compliance Officer Charlene Donovan, Trial Attorney Linda Reeder and Regional Attorney Timothy Watson.

The National Labor Relations Board is an independent federal agency vested with the authority to safeguard employees' rights to organize and to determine whether to have a union as their collective bargaining representative. The Agency also acts to prevent and remedy unfair labor practices committed by private sector employers and unions, as well as cases arising from the United States Postal Service.

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